# Senate



General Assembly

File No. 557

January Session, 2005

Senate Bill No. 1327

Senate, April 28, 2005

The Committee on Judiciary reported through SEN. MCDONALD of the 27th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

### AN ACT CONCERNING CHANGES TO CHILD SUPPORT STATUTES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Subsection (j) of section 17b-179 of the general statutes is
- 2 repealed and the following is substituted in lieu thereof (*Effective from*
- 3 passage):
- 4 (j) (1) The Commissioner of Social Services is authorized to accept
- 5 for deposit in the General Fund all allotments of federal funds, and to
- 6 conform to federal requirements necessary for the receipt of federal
- 7 matching grants and not prohibited by the general statutes, including,
- 8 but not limited to, the distribution of collected support and the
- 9 operation of an automated centralized collection and disbursement
- unit, which shall be known as the "State Disbursement Unit".
- 11 (2) The Commissioner of Social Services is authorized to implement
- 12 electronic funds transfer for all support payments processed through
- 13 the State Disbursement Unit. The commissioner is authorized to

14 establish a debit account at a financial institution for any recipient of 15 support payments, whose support payments are processed through 16 the State Disbursement Unit, who does not establish and designate an 17 account for the receipt of such payments by electronic funds transfer. 18 Deposits to such account shall be limited to such support payments 19 and accessible solely by means of a debit card. Such debit card may be 20 used to make purchases at participating retail outlets and obtain cash 21 at automated teller machines. Any fees incurred for the use of such 22 debit card shall be the sole responsibility of the recipient of support 23 payments for whom such account was established.

- Sec. 2. Subdivision (2) of subsection (a) of section 17b-745 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- 27 (2) (A) The court or family support magistrate shall include in each 28 support order in a IV-D support case a provision for the health care 29 coverage of the child which provision may include an order for either 30 parent to name any child as a beneficiary of any medical or dental 31 insurance or benefit plan carried by such parent or available to such 32 parent on a group basis through an employer or a union. Any such 33 employment-based order shall be enforced using a National Medical 34 Support Notice as provided in section 46b-88. If such insurance 35 coverage is unavailable at reasonable cost, the provision for health care 36 coverage may include an order for either parent to apply for and 37 maintain coverage on behalf of the child under the HUSKY Plan, Part 38 B. The noncustodial parent shall be ordered to apply for the HUSKY 39 Plan, Part B only if such parent is found to have sufficient ability to 40 pay the appropriate premium. In any IV-D support case in which the 41 noncustodial parent is found to have insufficient ability to provide 42 medical insurance coverage and the custodial party is the HUSKY 43 Plan, Part A or Part B applicant, the provision for health care coverage 44 may include an order for the noncustodial parent to pay such amount 45 as is specified by the court or family support magistrate to the state or 46 the custodial party, as their interests may appear, to offset the cost of 47 any insurance payable under the HUSKY Plan, Part A or Part B, unless

the noncustodial parent is a low-income obligor, as defined in the child support guidelines established pursuant to section 46b-215a. [In no event may such order include payment to offset the cost of any such premium if such payment would reduce the amount of current support required under the child support guidelines.]

- (B) Whenever an order of the Superior Court or family support magistrate is issued against a parent to cover the cost of such medical or dental insurance or benefit plan for a child who is eligible for Medicaid benefits, and such parent has received payment from a third party for the costs of such services but such parent has not used such payment to reimburse, as appropriate, either the other parent or guardian or the provider of such services, the Department of Social Services shall have the authority to request the court or family support magistrate to order the employer of such parent to withhold from the wages, salary or other employment income of such parent to the extent necessary to reimburse the Department of Social Services for expenditures for such costs under the Medicaid program, [. However,] except that any claims for current or [past due] past-due child support shall take priority over any such claims for the costs of such services.
- Sec. 3. Subdivision (5) of subsection (a) of section 17b-745 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2005*):
  - (5) (A) [Said] <u>The</u> court or family support magistrate shall also have authority to make and enforce orders for the payment by any person named herein of [unpaid support contributions] <u>past-due support</u> for which any such person is liable in accordance with the provisions of subsection (b) of section 17b-179, or section 17a-90, 17b-81, 17b-223, 46b-129 or 46b-130 or, in IV-D cases, to order such person, provided such person is not incapacitated, to participate in work activities which may include, but shall not be limited to, job search, training, work experience and participation in the job training and retraining program established by the Labor Commissioner pursuant to section 31-3t. <u>The</u> father's liability for past-due support of a child born out of wedlock

shall be limited to the three years next preceding either the execution of an acknowledgement of paternity in accordance with section 46b-172, as amended by this act, or the filing of a paternity petition under section 46b-160 or 46b-162, whichever applies. Each order in a IV-D case for periodic payment of such past-due support shall provide, except when the noncustodial parent is a low-income obligor, as defined in the child support guidelines established pursuant to section 46b-215a, or for cause or pursuant to an agreement by the parties, that upon termination of current child support payments the past-due support payment shall equal: (i) Fifty per cent of the current child support that was payable immediately prior to such termination, if any payment is due to the custodial party; or (ii) twenty per cent of the current child support that was payable immediately prior to such termination, if payment is due only to the state.

(B) In the determination of child support due based on neglect or refusal to furnish support prior to the action, the support due for periods of time prior to the action shall be based upon the obligor's ability to pay during such prior periods, as determined in accordance with the child support [and arrearage] guidelines established pursuant to section 46b-215a. The state shall disclose to the court any information in its possession concerning current and past ability to pay. If no information is available to the court concerning past ability to pay, the court may determine the support due for periods of time prior to the action as if past ability to pay is equal to current ability to pay, if current ability is known. If current ability to pay is not known, the court shall determine the past ability to pay based on the obligor's work history if known, or if not known, on the state minimum wage that was in effect during such periods, provided only actual earnings shall be used to determine ability to pay for past periods during which the obligor was a full-time high school student or was incarcerated, institutionalized or incapacitated.

(C) Any finding of support due for periods of time prior to an action in which the obligor failed to appear shall be entered subject to adjustment. Such adjustment may be made upon motion of any party,

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and the state in IV-D cases shall make such motion if it obtains information that would have substantially affected the court's determination of past ability to pay if such information had been available to the court. Motion for adjustment under this subparagraph may be made not later than twelve months from the date upon which the obligor receives notification of (i) the amount of such finding of support due for periods of time prior to the action, and (ii) the right not later than twelve months from the date of receipt of such notification to present evidence as to such obligor's past ability to pay support for such periods of time prior to the action. A copy of any support order entered, subject to adjustment, that is provided to each party under subsection (c) of this section [,] shall state in plain language the basis for the court's determination of past support, the right to request an adjustment and to present information concerning the obligor's past ability to pay, and the consequences of a failure to request such adjustment.

- Sec. 4. Subsection (f) of section 46b-84 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
  - (f) After the granting of a decree annulling or dissolving the marriage or ordering a legal separation, and upon complaint or motion with order and summons made to the Superior Court by either parent or by the Commissioner of Administrative Services in any case arising under subsection (a) or (b) of this section, the court shall inquire into the child's need of maintenance and the respective abilities of the parents to supply maintenance. The court shall make and enforce the decree for the maintenance of the child as it considers just, and may direct security to be given therefor, including an order to either party to contract with a third party for periodic payments or payments contingent on a life to the other party. The court may order that a party obtain life insurance as such security unless such party proves, by a preponderance of the evidence, that such insurance is not available to such party, such party is unable to pay the cost of such insurance or such party is uninsurable. The court shall include in each support

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order a provision for the health care coverage of the child which provision may include an order for either parent to name any child who is subject to the provisions of subsection (a) or (b) of this section as a beneficiary of any medical or dental insurance or benefit plan carried by such parent or available to such parent on a group basis through an employer or a union. Any such employment-based order in a IV-D support case shall be enforced using a National Medical Support Notice as provided in section 46b-88. If such insurance coverage is unavailable at reasonable cost, the provision for health care coverage may include an order for either parent to apply for and maintain coverage on behalf of the child under the HUSKY Plan, Part B. The noncustodial parent shall be ordered to apply for the HUSKY Plan, Part B only if such parent is found to have sufficient ability to pay the appropriate premium. In any IV-D support case in which the noncustodial parent is found to have insufficient ability to provide medical insurance coverage and the custodial party is the HUSKY Plan, Part A or Part B applicant, the provision for health care coverage may include an order for the noncustodial parent to pay such amount as is specified by the court or family support magistrate to the state or the custodial party, as their interests may appear, to offset the cost of any insurance payable under the HUSKY Plan, Part A or Part B, unless the noncustodial parent is a low-income obligor, as defined in the child support guidelines established pursuant to section 46b-215a. [In no event may such order include payment to offset the cost of any such premium if such payment would reduce the amount of current support required under the child support guidelines.

Sec. 5. Subsection (g) of section 46b-84 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2005*):

(g) Whenever an obligor is before the court in proceedings to establish, modify or enforce a support order, and such order is not secured by an income withholding order, the court may require the obligor to execute a bond or post other security sufficient to perform such order for support, provided the court finds that such a bond is

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available for purchase within the financial means of the obligor. Upon 183 184 failure of such obligor to comply with such support order, the court 185 may order the bond or the security forfeited and the proceeds thereof 186 paid to the state in TANF cases or to the obligee in non-TANF cases. In 187 any IV-D case in which the obligor is found by the court to owe past-188 due support, the court may issue an order for the periodic payment of 189 such support or, if such obligor is not incapacitated, order such obligor to participate in work activities which may include, but shall not be 190 191 limited to, job search, training, work experience and participation in 192 the job training and retraining program established by the Labor 193 Commissioner pursuant to section 31-3t. Each order in a IV-D case for 194 periodic payment of any past-due support shall provide, except when 195 the noncustodial parent is a low-income obligor, as defined in the child 196 support guidelines established pursuant to section 46b-215a, or for 197 cause or pursuant to an agreement by the parties, that upon 198 termination of the current child support or maintenance payments, the 199 past-due support payment shall equal: (1) Fifty per cent of the current 200 child support that was payable immediately prior to such termination, 201 if any payment is due to the custodial party; or (2) twenty per cent of 202 the current child support that was payable immediately prior to such 203 termination, if payment is due only to the state.

Sec. 6. Subdivision (2) of subsection (a) of section 46b-171 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(2) In addition, the court or family support magistrate shall include in each support order in a IV-D support case a provision for the health care coverage of the child which provision may include an order for either parent to name any child as a beneficiary of any medical or dental insurance or benefit plan carried by such parent or available to such parent on a group basis through an employer or union. Any such employment-based order shall be enforced using a National Medical Support Notice as provided in section 46b-88. If such insurance coverage is unavailable at reasonable cost, the provision for health care coverage may include an order for either parent to apply for and

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217 maintain coverage on behalf of the child under the HUSKY Plan, Part 218 B. The noncustodial parent shall be ordered to apply for the HUSKY 219 Plan, Part B only if such parent is found to have sufficient ability to 220 pay the appropriate premium. In any IV-D support case in which the 221 noncustodial parent is found to have insufficient ability to provide 222 medical insurance coverage and the custodial party is the HUSKY 223 Plan, Part A or Part B applicant, the provision for health care coverage 224 may include an order for the noncustodial parent to pay such amount 225 as is specified by the court or family support magistrate to the state or 226 the custodial party, as their interests may appear, to offset the cost of 227 any insurance payable under the HUSKY Plan, Part A or Part B, unless 228 the noncustodial parent is a low-income obligor, as defined in the child 229 support guidelines established pursuant to section 46b-215a. [In no 230 event may such order include payment to offset the cost of any such 231 premium if such payment would reduce the amount of current 232 support required under the child support guidelines.]

- Sec. 7. Subdivision (3) of subsection (a) of section 46b-171 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2005*):
- 236 (3) The court or family support magistrate shall also have authority 237 to make and enforce orders for the payment by any person named 238 herein of [unpaid support contributions] past-due support for which 239 the defendant is liable in accordance with the provisions of section 240 17b-81, 17b-223, subsection (b) of section 17b-179, section 17a-90, 46b-241 129 or 46b-130 and, in IV-D cases, to order such person, provided such 242 person is not incapacitated, to participate in work activities which may 243 include, but shall not be limited to, job search, training, work 244 experience and participation in the job training and retraining program 245 established by the Labor Commissioner pursuant to section 31-3t. The 246 defendant's liability for past-due support under this subdivision shall 247 be limited to the three years next preceding the filing of the petition. 248 Each order in a IV-D case for periodic payment of such past-due 249 support shall provide, except when the noncustodial parent is a lowincome obligor, as defined in the child support guidelines established 250

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251 pursuant to section 46b-215a, or for cause or pursuant to an agreement

- 252 by the parties, that upon termination of the current child support or
- 253 <u>maintenance payments, the past-due support payment shall equal: (A)</u>
- 254 Fifty per cent of the current child support that was payable
- 255 <u>immediately prior to such termination, if any payment is due to the</u>
- 256 custodial party; or (B) twenty per cent of the current child support that
- 257 was payable immediately prior to such termination, if payment is due
- only to the state.
- Sec. 8. Subsections (b) and (c) of section 46b-172 of the general
- 260 statutes are repealed and the following is substituted in lieu thereof
- 261 (*Effective October 1, 2005*):
- (b) (1) An agreement to support the child by payment of a periodic sum until the child attains the age of eighteen years or as otherwise
- 264 provided in this subsection, together with provisions for
- reimbursement for [past due] past-due support based upon ability to
- 266 pay in accordance with the provisions of subsection (b) of section 17b-
- 267 179, or section 17a-90, 17b-81, 17b-223, 46b-129 or 46b-130, and
- 268 reasonable expense of prosecution of the petition, when filed with and
- 269 approved by a judge of the Superior Court, or in IV-D support cases
- and matters brought under sections 46b-212 to 46b-213v, inclusive, a
- 271 family support magistrate at any time, shall have the same force and
- 272 effect, retroactively or prospectively in accordance with the terms of
- said agreement, as an order of support entered by the court, and shall
- be enforceable and subject to modification in the same manner as is
- 275 provided by law for orders of the court in such cases. If such child is
- 276 unmarried, a full-time high school student and residing with the
- custodial parent, such support shall continue according to the parents'
- 278 respective abilities, if such child is in need of support, until such child
- completes the twelfth grade or attains the age of nineteen, whichever
- 280 first occurs.
- 281 (2) [Past due] Past-due support in such cases shall be limited to the
- three years next preceding the date of the [filing of such agreements to
- 283 support] execution of the acknowledgment of paternity. Each order in

a IV-D case for periodic payment of such past-due support shall provide, except when the noncustodial parent is a low-income obligor, as defined in the child support guidelines established pursuant to section 46b-215a, or for cause or pursuant to an agreement by the parties, that upon termination of current child support payments, the past-due support payment shall equal: (A) Fifty per cent of the current child support that was payable immediately prior to such termination, if any payment is due to the custodial party; or (B) twenty per cent of the current child support that was payable immediately prior to such termination, if payment is due only to the state.

- (3) Payments under such agreement shall be made to the petitioner, except that in IV-D support cases, as defined in subsection (b) of section 46b-231, payments shall be made to the Bureau of Child Support Enforcement or its designated agency.
- 298 (4) Such written agreements to support shall be on forms prescribed 299 by the Office of the Chief Court Administrator and shall be sworn to, 300 and shall be binding on the person executing the same whether he is 301 an adult or a minor.
  - (c) (1) At any time after the signing of any acknowledgment of paternity, upon the application of any interested party, the court or any judge thereof or any family support magistrate in IV-D support cases and in matters brought under sections 46b-212 to 46b-213v, inclusive, shall cause a summons, signed by such judge or family support magistrate, by the clerk of the court or by a commissioner of the Superior Court, to be issued, requiring the acknowledged father to appear in court at a time and place as determined by the clerk but not more than ninety days after the issuance of the summons, to show cause why the court or the family support magistrate assigned to the judicial district in IV-D support cases should not enter judgment for support of the child by payment of a periodic sum until the child attains the age of eighteen years or as otherwise provided in this subsection, together with provision for reimbursement for [past due] past-due support based upon ability to pay in accordance with the

provisions of subsection (b) of section 17b-179, or section 17a-90, 17b-81, 17b-223, 46b-129 or 46b-130, a provision for health coverage of the child as required by section 46b-215, as amended by this act, and reasonable expense of the action under this subsection. If such child is unmarried, a full-time high school student and residing with the custodial parent, such support shall continue according to the parents' respective abilities, if such child is in need of support, until such child completes the twelfth grade or attains the age of nineteen, whichever first occurs.

- (2) Past-due support in such cases shall be limited to the three years next preceding the date of the execution of the acknowledgment of paternity. Each order in a IV-D case for periodic payment of such past-due support shall provide, except when the noncustodial parent is a low-income obligor, as defined in the child support guidelines established pursuant to section 46b-215a, or for cause or pursuant to an agreement by the parties, that upon termination of current child support payments, the past-due support payment shall equal: (A) Fifty per cent of the current child support that was payable immediately prior to such termination, if any payment is due to the custodial party; or (B) twenty per cent of the current child support that was payable immediately prior to such termination, if payment is due only to the state.
- (3) Such court or family support magistrate, in IV-D support cases, shall also have the authority to order the acknowledged father who is subject to a plan for reimbursement of past-due support and is not incapacitated, to participate in work activities which may include, but shall not be limited to, job search, training, work experience and participation in the job training and retraining program established by the Labor Commissioner pursuant to section 31-3t.
- (4) The application, summons and order shall be on forms prescribed by the Office of the Chief Court Administrator. Proceedings to obtain such orders of support shall be commenced by the service of such summons on the acknowledged father. A state marshal or proper

officer shall make due return of process to the court not less than twenty-one days before the date assigned for hearing.

- (5) The prior judgment as to paternity shall be res judicata as to that issue for all paternity acknowledgments filed with the court on or after March 1, 1981, but before July 1, 1997, and shall not be reconsidered by the court unless the person seeking review of the acknowledgment petitions the superior court for the judicial district having venue for a hearing on the issue of paternity within three years of such judgment. In addition to such review, if the acknowledgment of paternity was filed prior to March 1, 1981, the acknowledgment of paternity may be reviewed by denying the allegation of paternity in response to the initial petition for support, whenever it is filed.
  - (6) All [such] payments <u>under this subsection</u> shall be made to the petitioner, except that in IV-D support cases, as defined in subsection (b) of section 46b-231, payments shall be made to the state, acting by and through the IV-D agency.
- Sec. 9. Subdivision (2) of subsection (a) of section 46b-215 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
  - (2) Any such support order in a IV-D support case shall include a provision for the health care coverage of the child which provision may include an order for either parent to name any child as a beneficiary of any medical or dental insurance or benefit plan carried by such parent or available to such parent on a group basis through an employer or a union. Any such employment-based order shall be enforced using a National Medical Support Notice as provided in section 46b-88. If such insurance coverage is unavailable at reasonable cost, the provision for health care coverage may include an order for either parent to apply for and maintain coverage on behalf of the child under the HUSKY Plan, Part B. The noncustodial parent shall be ordered to apply for the HUSKY Plan, Part B only if such parent is found to have sufficient ability to pay the appropriate premium. In any IV-D support case in which the noncustodial parent is found to have

383 insufficient ability to provide medical insurance coverage and the 384 custodial party is the HUSKY Plan, Part A or Part B applicant, the 385 provision for health care coverage may include an order for the 386 noncustodial parent to pay such amount as is specified by the court or 387 family support magistrate to the state or the custodial party, as their 388 interests may appear, to offset the cost of any insurance payable under 389 the HUSKY Plan, Part A or Part B, unless the noncustodial parent is a 390 low-income obligor, as defined in the child support guidelines 391 established pursuant to section 46b-215a. [In no event may such order 392 include payment to offset the cost of any such premium if such 393 payment would reduce the amount of current support required under 394 the child support guidelines.]

Sec. 10. Subdivision (7) of subsection (a) of section 46b-215 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2005*):

(7) (A) [Said] The court or family support magistrate shall also have authority to determine, order and enforce payment of any support due because of neglect or refusal to furnish support prior to the action. In the case of a child born out of wedlock whose parents have not intermarried, the father's liability for such support shall be limited to the three years next preceding either the execution of an acknowledgment of paternity in accordance with section 46b-172, as amended by this act, or the filing of a paternity petition under section 46b-160 or 46b-162, whichever applies. Each order in a IV-D case for periodic payment of support due for periods of time prior to the action shall provide, except when the noncustodial parent is a low-income obligor, as defined in the child support guidelines established pursuant to section 46b-215a, or for cause or pursuant to an agreement by the parties, that upon termination of current child support payments, the past-due support payment shall equal: (i) Fifty per cent of the current child support that was payable immediately prior to such termination, if any payment is due to the custodial party; or (ii) twenty per cent of the current child support that was payable immediately prior to such termination, if payment is due only to the

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(B) In the determination of support due based on neglect or refusal to furnish support prior to the action, the support due for periods of time prior to the action shall be based upon the obligor's ability to pay during such prior periods, as determined in accordance with the child support and arrearage guidelines established under section 46b-215a. The state shall disclose to the court any information in its possession concerning current and past ability to pay. If no information is available to the court concerning past ability to pay, the court may determine the support due for periods of time prior to the action as if past ability to pay is equal to current ability to pay, if current ability is known. If current ability to pay is not known, the court shall determine the past ability to pay based on the obligor's work history, if known, or if not known, on the state minimum wage that was in effect during such periods, provided only actual earnings shall be used to determine ability to pay for past periods during which the obligor was a full-time high school student or was incarcerated, institutionalized or incapacitated.

(C) Any finding of support due for periods of time prior to an action in which the obligor failed to appear shall be entered subject to adjustment. Such adjustment may be made upon motion of any party, and the state in IV-D cases shall make such motion if it obtains information that would have substantially affected the court's determination of past ability to pay if such information had been available to the court. Motion for adjustment under this subparagraph may be made not later than twelve months date from the date upon which the obligor receives notification of (i) the amount of such finding of support due for periods of time prior to the action, and (ii) the right not later than twelve months from the date of receipt of such notification to present evidence as to such obligor's past ability to pay support for such periods of time prior to the action. A copy of any support order entered, subject to adjustment, shall state in plain language the basis for the court's determination of past support, the right to request an adjustment and to present information concerning

the obligor's past ability to pay, and the consequences of a failure to request such adjustment.

| This act sha | all take effect as follows | and shall amend the following |  |
|--------------|----------------------------|-------------------------------|--|
| sections:    |                            |                               |  |
|              |                            |                               |  |
| Section 1    | from passage               | 17b-179(j)                    |  |
| Sec. 2       | from passage               | 17b-745(a)(2)                 |  |
| Sec. 3       | October 1, 2005            | 17b-745(a)(5)                 |  |
| Sec. 4       | from passage               | 46b-84(f)                     |  |
| Sec. 5       | October 1, 2005            | 46b-84(g)                     |  |
| Sec. 6       | from passage               | 46b-171(a)(2)                 |  |
| Sec. 7       | October 1, 2005            | 46b-171(a)(3)                 |  |
| Sec. 8       | October 1, 2005            | 46b-172(b) and (c)            |  |
| Sec. 9       | from passage               | 46b-215(a)(2)                 |  |
| Sec. 10      | October 1, 2005            | 46b-215(a)(7)                 |  |

JUD Joint Favorable

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

#### **OFA Fiscal Note**

### State Impact:

| Agency Affected               | Fund-Effect    |
|-------------------------------|----------------|
| Department of Social Services | GF - See Below |

### Municipal Impact: None

### Explanation

This bill makes a variety of changes to the child support statutes, including allowing the Department of Social Services (DSS) to establish bank accounts for child support recipients and to directly deposit funds it collects on their behalf. This change will allow DSS to expand its electronic transfers of funds, thereby reducing postage and handling costs. The extent of these savings will be dependent upon the number of accounts and direct deposits that replace current mailings. As the language is permissive, the potential savings are not known.

The bill also changes the policy for arrearage payments when current support obligations end. It sets the payment at 20% of the current support obligation when funds are owed to the state. This change could increase arrearage collections that are owed to the state.

### **OLR Bill Analysis**

SB 1327

# AN ACT CONCERNING CHANGES TO CHILD SUPPORT STATUTES

#### SUMMARY:

This bill allows the Department of Social Services (DSS) to establish bank debit accounts for child support recipients and to directly deposit money it collects on their behalf into them. It also (1) permits the department to hold more noncustodial parents responsible for HUSKY premiums, (2) establishes a uniform lookback period for past-due child support in paternity cases, and (3) automatically accelerates the repayment schedule for most noncustodial parents when they are no longer required to pay current support.

EFFECTIVE DATE: Upon passage, except for the provisions concerning past-due support and arrearage payments, which are effective October 1, 2005.

## **DEBIT ACCOUNTS (§ 1)**

Under the bill, DSS can open a debit account for a child support client in a bank of its choosing and electronically transfer the child support funds it collects on her behalf into it. It cannot open an account for clients who establish or designate another account into which the agency can electronically deposit their support funds.

The accounts DSS opens can accept only its child support deposits and be accessed only using a debit card. Clients can use the cards at participating stores and for cash withdrawals from ATMs. The client must pay any debit card fees.

## **HUSKY PREMIUMS OFFSETS (§§ 2, 4, 6 AND 9)**

By law, courts can order noncustodial parents to pay a designated amount to the custodial parent or the state to offset some or all of the costs of paying HUSKY A or B health insurance premiums for their children. Currently, support orders cannot include these offsets if doing so would reduce the weekly child support obligations under the

Child Support and Arrearage Guidelines because the payments are deducted from net weekly income. The bill eliminates this restriction for obligors whose support obligations are set as a flat percentage of both parents' net weekly incomes. It retains the restriction for low-income obligors, whose support obligations are set without taking into account the other parent's net earnings.

# LOOKBACK PERIOD FOR PAST-DUE SUPPORT (§§ 3, 7, 8, AND 10)

By law, parents whose support obligations are established through court paternity proceedings can be ordered to pay support for the three-year period prior to the date the child's mother filed the paternity petition. In cases in which the noncustodial parent voluntarily acknowledges paternity, the three-year period currently begins to run on the date he files a support agreement in court. The bill makes the period run, instead, from the date he legally acknowledges paternity.

# AUTOMATIC INCREASES IN ARREARAGE AND PAST-DUE SUPPORT PAYMENTS (§§ 3, 5, 7, 8, AND 10)

The bill increases the amount noncustodial parents must pay for child support arrearages and past-due support when they are no longer liable for current support (in most cases, when the child reaches age 18). Unless a court orders otherwise, these payments currently remain at the same level that the court set in combination with current support payments (typically 20% of the current support obligation). The bill automatically increases this amount to 50% of the last current support payment if the custodial parent is still owed support, and 20% if money is owed to the state only.

Low-income obligors are exempt as are other obligors the court finds good cause to excuse.

#### COMMITTEE ACTION

**Judiciary Committee** 

Joint Favorable Report Yea 40 Nay 0